

What Happened Since Financial Choices That Led to a Projected Net Revenue Loss of about \$900M for FY02-06?

BPA Power Net Revenues
Very Rough Estimates

Expense Reductions, Expense Deferrals & Cash Increases

5 4 겂 2 Changes in 4(h)(10)(C) and FCCF Fish Credits (Estimated) Additional Losses in FY03 Due to Reduced Hydro Supply & Other Changes (Estimated) Other Changes (Estimated) Reduction in Secondary Revenue Forecast for FY04-06, and Reduction in Hydro Supply in FY04 Due to Below-Average Hydro Conditions in FY03 New Net Revenue Gap - FY02-06 FY02-06 Net Revenue Gap (from August 2002 with FY02 Actuals) New Net Revenue Gap - FY02-06 lew Net Revenue Gap - FY02-06 Additional Actions that Reduce Overall Rates & Close the Gap (e.g., Expense Reductions, Expense Deferrals & Cash Increases)
2. Additional Revenue if FY04-06 Rates Kept at FY02 Level (Estimated) 1. Actions Already Taken To Reduce Overall Rates Additional Overall Debt Service Reduction Settlement of Litigation over IOU Residential Benefits Power Resource Contract Renegotiation Additional Power Resource O&M Cost Reduction More Cost Effective Fish Recovery Program (\$160M total) Subtotal Reductions - PB ential Cos 2222 \$350 Revenue Forecast Hydro Conditions Achieved or Close Dollars in Millions Expected FY03 to FY02-06 Changes (\$1,200) (\$920)(\$550) \$100 (\$200) (\$270)(\$350) \$300 \$ \$ \$ \$ \$ \$550 another \$80M left to Expense Reductions & we have a goal of analysis already secure per Steve Wright's letter We embedded \$80M in our Deferrals Only